

SENATE BILL REPORT

SB 5936

As Reported by Senate Committee On:
Environment, Energy & Technology, February 20, 2019
Ways & Means, March 1, 2019

Title: An act relating to use of industrial waste through industrial symbioses.

Brief Description: Concerning use of industrial waste through industrial symbioses.

Sponsors: Senators Brown, Walsh, Hasegawa and Rolfes.

Brief History:

Committee Activity: Environment, Energy & Technology: 2/19/19, 2/20/19 [DP-WM].
Ways & Means: 3/01/19, 3/01/19 [DPS].

Brief Summary of First Substitute Bill

- Requires the Department of Commerce (Commerce) to produce a proposal and recommendations for setting up an industrial waste coordination program by December 1, 2019.
- Subject to appropriations, authorizes Commerce to make loans or grants and provide technical assistance for development of projects that encourage and enhance projects to create a cooperative use of waste heat and materials.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Carlyle, Chair; Palumbo, Vice Chair; Ericksen, Ranking Member; Fortunato, Assistant Ranking Member, Environment; Sheldon, Assistant Ranking Member, Energy & Technology; Billig, Brown, Das, Hobbs, Lias, McCoy, Nguyen, Rivers, Short and Wellman.

Staff: Jan Odano (786-7486)

SENATE COMMITTEE ON WAYS & MEANS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: That Substitute Senate Bill No. 5936 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Braun, Ranking Member; Honeyford, Assistant Ranking Member, Capital; Becker, Billig, Carlyle, Conway, Darneille, Hasegawa, Hunt, Keiser, Lias, Palumbo, Pedersen, Rivers, Schoesler, Van De Wege, Wagoner, Warnick and Wilson, L..

Staff: Claire Goodwin (786-7736)

Background: Commerce is the lead state agency to assist in establishing and improving markets for recyclable materials. Commerce provides a range of programs to assist businesses, such as education, technical assistance and business grants and loans. In addition, Commerce implements the Clean Energy Fund program, which funds developing, demonstrating, and deploying clean energy technology.

Industrial symbiosis is the collaboration between public and private businesses to foster the use of industrial by-products, including energy, water, materials and logistics. The intent of industrial symbiosis is to generate uses for these by-products while reducing waste and costs.

Industrial processes create heat in the form of exhaust gases, cooling water, and hot equipment surfaces and products. Recovering this waste heat may be used to produce electricity, or to cool and heat a building or facility.

Summary of Bill (First Substitute): By December 1, 2019, Commerce must produce a proposal and recommendations for setting up an industrial waste coordination program. Commerce must convene at least two meetings with relevant industry stakeholders when developing the proposal.

The proposal must include:

- a strategy to develop inventories or industrial waste innovation currently operating;
- recommendations regarding data collection for material flows to generate potential industry waste matches and opportunities;
- guidance and best practices for emerging local industrial resource hubs; and
- recommendations for performance metrics to track results of industrial or commercial hubs that measure economic and environmental outcomes.

Subject to appropriations, Commerce may make loans or grants for development, demonstration, and deployment of projects that enhance cooperative use of waste heat and materials and may develop a method and criteria for allocating loans and grants and providing technical assistance.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (First Substitute):

- Makes loans and grants for the development, demonstration, and deployment of projects encourage creation of waste heat and the development of a method for the allocation of loans and grants at Commerce, subject to appropriations.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Environment, Energy & Technology): PRO: Industrial symbiosis is taking the waste product from one plant and using it downstream as energy for the next manufacturing facility.

Persons Testifying (Environment, Energy & Technology): PRO: Senator Sharon Brown, Prime Sponsor.

Persons Signed In To Testify But Not Testifying (Environment, Energy & Technology): No one.

Staff Summary of Public Testimony on Original Bill (Ways & Means): *The committee recommended a different version of the bill than what was heard.* PRO: This bill is an important first step in Washington becoming a leader in industrial symbiosis and continuing down the path of innovation. In September 2017, we led a bipartisan tour with state senators, seven of whom are on the Ways and Means Committee, on an example of industrial symbiosis. Companies are sharing resources, saving money, and saving energy as a result of industrial symbiosis.

Persons Testifying (Ways & Means): PRO: Senator Sharon Brown, Prime Sponsor; Rhys Roth, Center for Sustainable Infrastructure.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.